

## Message Text

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AID-05 /069 W

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FM AMEMBASSY QUITO

TO SECSTATE WASHDC 882

INFO AMCONSUL GUAYAQUIL

S E C R E T SECTION 1 OF 3 QUITO 5089

E.O. 11652: GDS

TAGS: PINT PFOR EC

SUBJ: THE KIND OF POLITICAL SYSTEM WE ARE DEALING WITH IN ECUADOR  
AND THE MEANING FOR US INTERESTS

1. BEGIN SUMMARY: THE PURPOSE OF THIS MESSAGE IS TO ANALYZE FOR THE DEPARTMENT AND OTHER AGENCIES THE UNDERLYING POLITICAL DYNAMICS IN ECUADOR. HAVING LATELY COME FROM WASHINGTON, I REALIZE THE INITIAL REACTION IN SOME QUARTERS MAY BE "WHO CARES?" HOWEVER, THIS LITTLE COUNTRY HAS SHOWN A UNIQUE CAPACITY, WITHIN THE REGION AT LEAST, FOR CAUSING US PROBLEMS BOTH BILATERALLY (FISHING SEIZURES; GSP; TEXACO-GULF; ADA) AND MULTILATERALLY (OAS REFORM; THE NEW DIALOGUE; THE LOS CONFERENCE). UNLIKE OTHER SMALL, ECONOMICALLY DEPENDENT LATIN AMERICAN NATIONS, IT HAS NOT LET ITS WEAKNESS RELATIVE TO THE US AND ITS NEIGHBORS INHIBIT IT FROM TAKING US ON WHEN IT HAS FELT ITS NATIONAL INTERESTS REQUIRE IT. ECUADOR IS NOW ENTERING A PERIOD OF POLITICAL CHANGE, IF NOT INSTABILITY. IN THESE CIRCUMSTANCES, IT OCCURS TO ME THAT IT MIGHT BE HELPFUL TO WASHINGTON TO HAVE SOME INSIGHT INTO THE FORCES UNDERLYING THE SURFACE POLITICAL PHENOMENA WHICH WE WILL BE REPORTING IN THE MONTHS AHEAD, AS WELL AS SOME INDICATION AS TO HOW THIS PROCESS MAY IMPINGE ON US INTERESTS.

WE SEE THE NEAR-TERM FUTURE AS A PERIOD OF INCREASING

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POLITICAL RESTLESSNESS AND UNCERTAINTY. DURING ANOTHER

SLOWDOWN IN OIL EXPORTS, OR OTHER UNFORESEEN ECONOMIC DIFFICULTIES, EITHER OF WHICH COULD CAUSE THE ECONOMIC OLIGARCHY TO MOBILIZE ITSELF POLITICALLY, THE MAJOR UNSETTLING ELEMENTS WILL BE RIVALRIES WITHIN THE MILITARY AND THE REACTIONS OF VARIOUS MILITARY FACTIONS TO PRESSURES FROM THE POLITICAL PARTIES AS WELL AS WITHIN THE MILITARY IN CONNECTION WITH THE PROJECTED RETURN TO CIVILIAN RULE. ALMOST ANY MILITARY REGIME WHICH COMES TO POWER UNDER PRESENT CONDITIONS IS LIKELY TO BE WEAK. OUR BEST ESTIMATE IS THAT THE HIGHEST AUTHORITY WILL CONTINUE TO BE FAVORABLY DISPOSED TOWARD THE US, ALTHOUGH WITHOUT THE EFFECTIVE POWER TO FORCE UPON THE REST OF THE GOE CHANGES IN FOREIGN POLICY WHICH MIGHT APPEAR TO BE MAJOR CONCESSIONS BY ECUADOR. UNDER THESE CIRCUMSTANCES, THE US WILL LARGELY DETERMINE THE COURSE OF US/ECUADOREAN RELATIONS. POSITIVE STEPS ON OUR PART ON OUTSTANDING BILATERAL ISSUES WILL HAVE TO PRECEDE AND EVOKE A RECIPROCAL ATTITUDE ON THE PART OF THE GOE. YET, THERE IS A GREATER OPPORTUNITY FOR US TO PRODUCE SOME DESIREABLE CHANGES IN GOE FOREIGN POLICY IN THE CURRENT FLUID SITUATION THAN THERE HAS BEEN IN SOME YEARS. END SUMMARY

2. TRADITIONALLY THERE HAD BEEN A LACK OF CONSENSUS IN ECUADOR OR WHAT CONSTITUTES LEGITIMACY FOR A GOVERNMENT, THE LENGTH OF TIME A GOVERNMENT IS ENTITLED TO REMAIN IN POWER, AND THE PROCEDURES FOR SUCCESSION FROM ONE GOVERNMENT TO THE NEXT. THERE IS A PERSISTENT EFFORT BY WHAT IN SHORTHAND WE MAY CALL POWER-CONTENDERS TO DEMONSTRATE SUFFICIENT STRENGTH TO BE RECOGNIZED BY OTHERS, AND THERE IS A CONTINUAL RE-ESTABLISHMENT OF AGREEMENTS FOR CONTROL OF GOVERNMENT AMONG POWER-CONTENDERS, WHOSE CAPABILITIES ARE NOT COMPARABLE AND ARE SHIFTING IN STRENGTH. NO SINGLE PATTERN OF POWER IS LEGITIMATELY RECOGNIZED AS FINAL OR AS ACCEPTABLE FOR A FIXED PERIOD AND THE VERY TENTATIVE ARRANGEMENT OF ANY MOMENT IS SUBJECT TO REVISION. NO SINGLE POWER-CONTENDER HAS SUFFICIENT STRENGTH TO ESTABLISH ITSELF AS THE GOVERNMENT FOR MORE THAN A BRIEF PERIOD WITHOUT THE ACQUIESCENCE OF OTHER POWER CONTENDERS. INDEED, THE SYSTEM WORKS TO SOME EXTENT LARGELY BECAUSE NO ONE

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POWER-CONTENDER IS DOMINANT AND THEREFORE VARIOUS GROUPS AND INTERESTS FEEL SECURE IN THEIR PIECE OF AUTONOMY.

3. THE STABILITY OF THIS TENUOUS POLITICAL SYSTEM IS FURTHER THREATENED BY REGIONALISM (ESPECIALLY GUAYAQUIL VS. QUITO), WHICH THOUGH A WANING FORCE IS STILL SUFFICIENTLY POTENT TO COMPEL ANY GOVERNMENT TO ADMINISTER THROUGH DECENTRALIZED AND ALMOST AUTONOMOUS REGIONAL AGENCIES.

THE SOCIETY IS FURTHER FRAGMENTED BY DIVISIONS BETWEEN INDIGENOUS PEOPLES AND MESTIZOS AS WELL AS BY SHARP CLASS DISTINCTIONS.

4. THE MAJOR POWER-CONTENDERS OPERATING WITHIN THIS POLITICAL SYSTEM ARE: (1) THE ARMED FORCES, (2) THE COMMERCIAL/INDUSTRIAL/LANDOWNING ELITE, POPULARLY KNOWN HERE, AS ELSEWHERE, AS "THE OLIGARCHY," (3) LABOR, (4) STUDENTS/LEFTIST INTELLIGENTSIA, AND (5) POPULISM, NOW REPRESENTED BY ASAAD BUCARAM AND HIS CONCENTRATION OF POPULAR FORCES. THE CHURCH IS CURRENTLY A LATENT POWER CONTENDER AND ENTERS THE FRAY ONLY TO PROTECT ITS INSTITUTIONAL INTERESTS. OF THESE GROUPS, ONLY THE ARMED FORCES AND THE OLIGARCHY, THE ONE AT LEAST WITH THE PASSIVE ACCEPTANCE OF THE OTHER, CURRENTLY CAN EXERCISE DECISIVE POWER. OTHER CONTENDERS CAN INFLUENCE, DISRUPT AND PERHAPS BRING DOWN A GOVERNMENT BUT ARE INCAPABLE OF FORMING OR UPHOLDING A GOVERNMENT IN THE FACE OF OPPOSITION FROM THE ARMED FORCES OR THE OLIGARCHY.

5. AT PRESENT THERE ARE MORE THAN A DOZEN GROUPS CLAIMING TO BE POLITICAL PARTIES. ON THE WHOLE THEY LACK CLEARLY DEFINED PROGRAMS OR ORIENTATION. THEY TEND TO BE FOLLOWINGS OF INDIVIDUALS IN SHIFTING ALLIANCES WITH ONE ANOTHER IN HOPE OF CREATING SUCCESSFUL ELECTORAL COALITIONS. THE PARTIES THEMSELVES POSSESS LITTLE REAL GRASS ROOTS SUPPORT BUT BECAUSE OF THE FREEDOM OF NEWS MEDIA AND ECUADOREAN "RULES OF THE GAME" THAT ALLOW USE OF ONLY LIMITED FORCE AND REPRESSION, THE PARTIES ARE CAPABLE OF AFFECTING THE POLITICAL ENVIRONMENT.

6. THROUGHOUT THE HISTORY OF ECUADOR THE MILITARY ESTABLISHMENT HAS BEEN A KEY POWER CONTENDER. EXERCISING  
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CONTROL OVER THE EXECUTIVE FUNCTIONS OF GOVERNMENT EITHER DIRECTLY OR INDIRECTLY. CULTURAL AND HISTORICAL FACTORS HAVE PREVENTED THE DEVELOPMENT OF ALTERNATIVE INSTITUTIONS TO COUNTER-BALANCE THE MILITARY, AND THE MILITARY HAS COME TO CONSIDER ITSELF THE GUARDIAN OF THE NATION AND THE FINAL ARBITER IN THE POLITICAL PROCESS. WITH GROWING DEMANDS ON THE TRADITIONAL POLITICAL SYSTEM AND BREAKDOWNS IN ITS EFFECTIVENESS, THE MILITARY HAS FELT IT NECESSARY TO EXERCISE ITS ROLE AS FINAL ARBITER TWICE IN THE PAST TWO DECADES. (THERE ARE STRIKING PARALLELS BETWEEN THE ALLIANCE-FOR-PROGRESS-INSPIRED, REFORMIST MILITARY JUNTA OF 1963-66 WITH ITS "RETURN" TO CIVILIANS IN 1967-68 AND THE REVOLUTIONARY REGIME SINCE 1972 WITH THE CURRENT "RETURN.")

7. AT THE SAME TIME, THE ECUADOREAN MILITARY IN MODERN

TIMES, UNLIKE OTHER MILITARY INSTITUTIONS IN LATIN AMERICA, HAS NOT REGARDED ITSELF AS HAVING THE UNQUESTIONED RIGHT TO USE REPRESSIVE ORDER TO COERCE OTHER POWER-CONTENDERS.

IT DOES USE FORCE RELUCTANTLY ON OCCASIONS TO SQUELCH THREATS FROM WEAK POWER GROUPS (LIKE LABOR) BUT ON THE WHOLE THE MILITARY HERE BEHAVES IN POWER AS IF IT WERE ANOTHER POLITICAL PARTY GOVERNING BY SOME ROUGH CONSENSUS OF SOCIETY. THE RELATIVELY HIGH DEGREE OF TOLERATION IN ECUADOR, EVEN UNDER MILITARY REGIMES, FOR FREEDOM OF SPEECH AND THE PRESS AND THE CONTINUED RESPECT FOR HUMAN RIGHTS IS A PART OF THE LOCAL POLITICAL PROCESS AND, IN ITS TURN, CONTRIBUTES TO THE FRAGMENTATION OF POLITICAL POWER. THE RESULT OF THIS TRADITION, IN ADDITION TO INHIBITING TENDENCIES TOWARD REPRESSION THAT MIGHT BE INHERENT IN THE MILITARY, IS ALSO TO GIVE RATHER FREE REIGN TO POLITICKING AND FACTIONALISM WITH THE MILITARY ITSELF. UNLIKE BRAZIL AND (UNTIL RECENTLY) PERU, CONCERN WITH THE INTEGRITY OF THE MILITARY INSTITUTION IS ONLY SKIN DEEP. HENCE, PLOTTING IN THE TRADITIONAL LATIN AMERICAN STYLE IS A REGULAR FEATURE OF THE ECUADOREAN SCENE.

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8 THUS, POLITICS IN ECUADOR IS HIGHLY PERSONALIZED. IN THE MAJORITY OF CASES, INDIVIDUALS ARE MOTIVATED MORE BY PERSONAL AMBITION AND PERSONAL AGGRANDIZEMENT THAN BY

ADHERENCE TO ANY IDEOLOGICAL OR PROGRAMMATIC GOALS. ACTIONS AND DECISIONS MADE IN SMALL INFORMAL GROUPS USUALLY PLAY THE MAJOR ROLE IN RESOLVING CONFLICTS AND DISTRIBUTING REWARDS WITHIN THE SOCIETY. THIS HIGHLY PERSONALIZED SYSTEM IS INCREASINGLY INADEQUATE FOR A SOCIETY GROWING IN POPULATION, COMPLEXITY, AND DIFFERENTIATION OF INSTITUTIONS. SECTORS OF SOCIETY THAT HISTORICALLY HAD A PASSIVE ROLE IN THE POLITICAL SYSTEM INCREASINGLY--AND OFTEN SUCCESSFULLY---SEEK GREATER PARTICIPATION IN THE POLITICAL PROCESS. THIS IS MAKING IT EVER MORE DIFFICULT FOR ECUADOR'S LEADERS TO MANAGE AND CONTROL THE COUNTRY THROUGH PERSONALISM AND THE INFORMAL MECHANISMS OF FAMILY TIES AND FRIENDSHIP GROUPS. THE NEED FOR MODERN VIABLE INSTITUTIONS IS BECOMING MORE IMPERATIVE.

9 THE LACK OF LEGITIMACY OF THE POLITICAL SYSTEM AND THE PERSONALIZED WAY OF DOING BUSINESS ARE INCREASINGLY AN ISSUE IN ECUADOR. CRITICS OF ALL STRIPES, INCLUDING TRADITIONAL POLITICIANS, CHALLENGE THE GOVERNMENT ON THE BASIS OF ITS LEGITIMACY; AND THE GOVERNMENT ITSELF; SEEKS TO LEGITIMIZE ITS ACTIONS BY CLAIMING TO REPRESENT THE WILL OF THE PEOPLE, RATHER THAN THE CORRUPT POLITICAL SECRET

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FORCES OF THE PAST. SOME OF THE GROUPS CALLING FOR "INSTITUTIONALIZATION" OF A NEW POLITICAL SYSTEM REPRESENT IDEOLOGICAL STATIST AND LEFTIST TENDENCIES THAT WOULD BE HARMFUL TO US INTERESTS IN THE SHORT RUN SHOULD THEY GAIN POWER. IN THE LONGER RUN, HOWEVER, A NATIONALISTIC, TECHNOCRATIC, BROADLY-BASED POLITICAL MOVEMENT IS UNDOUBTEDLY NEEDED TO MOBILIZE POWER ON BEHALF OF THE LOWER AND RISING MIDDLE CLASSES WHO CURRENTLY GET THE SHORT END OF THE STICK IN THIS SOCIETY.

10. THE FRAGMENTED NATURE OF THE POLITICAL SYSTEM AND THE PERSONALISM SO DOMINANT IN ITS FUNCTIONS ARE REFLECTED IN THE OPERATION OF THE GOVERNMENT, REGARDLESS OF WHICH POWER-CONTENDER HAPPENS TO BE IN CHARGE. TYPICALLY, THE CHIEF EXECUTIVE IS RELUCTANT TO TAKE DECISIVE ACTION ON CONTROVERSIAL ISSUES SINCE HE OR THEY CANNOT AFFORD TO ALIENATE ALLIES IN THE CONSTANT STRUGGLE TO REMAIN IN POWER. RATHER THAN A UNIFIED AND COHERENT GOVERNING FORCE, THERE EXIST A NUMBER OF SATRAPIES EACH CARRYING OUT ALMOST INDEPENDENTLY RESPONSIBILITIES FOR A GIVEN AREA. THUS, THERE ARE DOZENS OF GOVERNMENT AGENCIES WHOSE FINANCING COMES FROM EARMARKED TAX REVENUES, LEAVING

THE CENTRAL GOVERNMENT WITH VERY LITTLE DISCRETIONARY REVENUE. THUS, THE MINISTRY OF FOREIGN AFFAIRS IS FREE TO ACT AS IT WISHES ON MOST ISSUES. THUS, THE MINISTER OF NATURAL

RESOURCES SEEMS TO BE ABLE TO CONDUCT PETROLEUM POLICY AT VARIANCE WITH THE DESIRES OF THE SUPREME COUNCIL.

11. THE GENESIS OF THE PRESENT GOVERNMENT HEADED BY ADMIRAL POVEDA AND THE SUPREME COUNCIL IS SIMPLY THE LATEST EXAMPLE OF THE LIMITED POWER OF ANY REGIME, EVEN MILITARY, TO PERPETUATE ITSELF IN POWER IN THE FACT OF OPPOSITION FROM A COALITION OF OTHER POWER-CONTENDING INDIVIDUALS AND GROUPS. THE RODRIGUEZ LARA GOVERNMENT WAS REPLACED BECAUSE OF EROSION OF ACCEPTANCE BY THE PRODUCTIVE ECONOMIC SECTORS, IE., THE ECONOMIC OLIGARCHY. THIS DERIVED IN LARGE PART FROM THE FAILURE OF ITS PETROLEUM POLICY AND THE ATTENDANT DAMAGING EFFECTS ON THE ECONOMY. (ATTEMPTS TO SQUEEZE TEXACO-GULF RESULTED IN A DELIBERATE REDUCTION IN PRODUCTION BY THE  
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CONSORTIUM; HARD-LINE PETROLEUM REGULATIONS SCARED OFF OTHER FOREIGN COMPANIES.) IN THE WAKE OF AN ABORTED RIGHT-WING COUP IN SEPTEMBER, CONTINUED LOSS OF SUPPORT WITHIN THE ECONOMIC SECTORS, AND GROWING CHAOS CAUSED BY STUDENTS AND LARBOE, THE THREE MILITARY SERVICES JOINED TOGETHER TO REMOVE RODRIGUEZ IN ORDER TO ENSURE A RETURN TO STABLE GOVERNMENT AND TO AVOID FURTHER DAMAGE TO THE PRESTIGE OF THE MILITARY INSTITUTION.

12. AT THE SAME TIME, FEAR THAT PROLONGED CONTINUANCE OF A MILITARY REGIME WOULD ONLY LEAD TO INCREASING EROSION OF MILITARY COHESION AND PRESTIGE MOVED THE SUPREME COUNCIL TO PLEDGE A RETURN TO CIVILIAN AND CONSTITUTIONAL RULE. THIS COMMITMENT WAS MADE TO QUIET CRITICISM FROM THE VOCAL POLITICAL PARTIES, AND BECAUSE THE CURRENT MILITARY LEADERS LACK THE WILL (AND PERHAPS THE POWER) TO MAINTAIN THE REGIME BY REPRESSION. THE PROMISE TO RETURN TO CONSTITUTIONAL GOVERNMENT, ALONG WITH BETTER MANAGEMENT OF THE ECONOMY, GAINED THE COUNCIL A RESPITE FROM POLITICAL OPPOSITION.

13. WITH THE PASSAGE OF TIME, THE INSTABILITY INHERENT IN THE POLITICAL SYSTEM AND THE FRACTURED MILITARY POWER-BASE OF THE POVEDA GOVERNMENT HAVE BECOME EVIDENT, AND THERE ARE DOUBTS ABOUT THE RETURN TO CIVILIAN RULE AND EVEN THE SURVIVAL OF THE TRIUMVIRATE. AN ADMIRAL BECAME PRESIDENT BECAUSE THE ARMY WAS DIVIDED. THE VERTICAL SPLIT AMONG THE THREE MILITARY SERVICES, THE HORIZONTAL SPLIT BETWEEN THE GENERALS AND THE COLONELS, AND THE GROWTH OF IDEOLOGICAL DIVISIONS AMONG THE ARMED FORCES MEAN THAT POVEDA'S PREMINENCE IS BASED ON THE WEAKNESSES OF THE MILITARY INSTITUTIONS. THE WEAKNESS OF OTHERS CAN BE A PRECARIOUS SOURCE OF POWER. POLITICAL PARTIES AND

OPPOSITIONISTS, WHILE INITIALLY NEUTRALIZED, HAVE BEEN  
STIMULATED BY THE PROMISE OF RETURN TO CONSTITUTIONAL RULE  
TO GREATER EXPECTATIONS AND ORGANIZED POLITICAL ACTIVITY,  
MUCH OF WHICH IS AIMED AT THE GOVERNMENT. LABOR, STUDENTS,  
AND COMMUNISTS OPPOSE THE GOVERNMENT'S PLEDGED RETURN.  
THEY ARGUE THAT THE MILITARY SHOULD CONTINUE IN POWER  
INDEFINITELY UNTIL CONDITIONS ARE ESTABLISHED FOR A JUST

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SOCIETY. ALSO, A FEW OLIGARCHS MAY FEAR THAT A RETURN TO  
CIVILIAN GOVERNMENT WOULD BRING INSTABILITY AND HURT THEIR  
BUSINESS INTEREST. THERE ARE GROUPS WITHIN THE ARMED  
FORCES WHO WISH TO CONTINUE MILITARY POWER FOR "PATRIOTIC,"  
PERSONAL, AND/OR IDEOLOGICAL REASONS.

14. AS DISCUSSED ABOVE, HOWEVER, THE ONLY POWER-CONTENDERS  
CAPABLE OF EXERCISING DECISIVE POWER AT THE PRESENT  
TIME ARE THE ECONOMIC OLIGARCHY AND THE MILITARY. ECONOMIC  
PROJECTIONS FOR AT LEAST THE NEXT YEAR ARE FAVORABLE,  
AND IT IS DOUBTFUL THAT THE ECONOMIC OLIGARCHY WILL  
MOVE AGAINST THE GOVERNMENT UNLESS THE LATTER ADOPTS  
POLICIES CONSIDERED INIMICAL TO BUSINESS INTERESTS  
(E.G., IF THE PRESENT CONFLICT BETWEEN THE MINISTRY OF  
NATURAL RESOURCES AND TEXACO-GULF SHOULD LEAD TO A  
REPETITION OF LAST YEAR'S SLOWDOWN IN OIL EXPORTS WITH ALL  
ITS REPRECUSIONS ON NATIONAL INCOME.)

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NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 EB-07

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15. GIVEN THESE CIRCUMSTANCES, THERE ARE A NUMBER OF DIRECTIONS IN WHICH THE PRESENT SITUATION MIGHT EVOLVE (PRESENTED IN NO PARTICULAR ORDER OF LIKELIHOOD):

- THE SUPREME COUNCIL REMAINS IN OFFICE IN SPITE OF ITS WEAKNESSES BECAUSE EVERYONE ELSE IS WEAKER; IT RETURNS POWER TO CIVILIANS, AS PLANNED.
- THE SUPREME COUNCIL REMAINS IN OFFICE, CONSOLIDATES POWER STEP BY STEP, BUT DOES NOT RETURN POWER TO CIVILIANS.
- A CIVILIAN INTERIM PRESIDENT IS NAMED TO PRESIDE OVER THE TRANSITION TO FULL CONSTITUTIONAL RULE UNDER AN ELECTED GOVERNMENT.
- A CONSERVATIVE ARMY OFFICER, DISSATISFIED WITH THE WEAKNESS OF THE SUPREME COUNCIL, TAKES POWER.
- ADMIRAL POVEDA OR GENERAL DURAN BECOMES THE SINGLE DOMINANT LEADER.
- STATIST AND "LEFTIST" COLONELS TAKE POWER.

THESE SCENARIOS ARE CITED NOT SO MUCH TO PREDICT FUTURE  
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EVENTS AS TO UNDERLINE THE FACT THAT THE SITUATION IS EXTREMELY FLUID AND GETTING MORE SO. UNDER ALL SCENARIOS BUT THE LAST, THE HIGHEST AUTHORITY WOULD PROBABLY CONTINUE TO SEEK GOOD RELATIONS WITH THE US, BUT IT WOULD ALSO CONTINUE TO LACK THE POWER AND ADMINISTRATIVE CONTROL REQUIRED TO ENFORCE ITS WILL UPON THE REST OF THE GOVERNMENT IN ORDER TO IMPROVE RELATIONS, WITHOUT SOME PRIOR CONCESSIONS BY THE US.

16. THE UNKNOWN FACTOR IN THIS EQUATION IS WHETHER SOME MID-LEVEL MEMBERS OF THE ARMY OFFICER CORPS HAVE BECOME SO DISSATISFIED WITH THE LIBERTARIAN AND FEUDAL (NO PARADOX) NATURE OF THE POLITICAL SYSTEM HERE THAT THEY MIGHT BE DRIVEN TO ATTEMPT TO SEIZE POWER AND RULE REPRESSIVELY IN ORDER TO IMPLANT A STATIST REGIME. IF THE "COLONELS" WERE TO TRY SUCH A FUNDAMENTAL CHANGE (AND THEIR ABILITY TO SEIZE POWER REMAINS UNCERTAIN), THEY WOULD HAVE TO DO



BETTER THAN RODRIGUEZ LARA, WHO PROCLAIMED JUST SUCH A "NATIONAL REVOLUTION" IN 1972 AND THEN IN THE ENSUING FOUR YEARS FAILED TO CARRY IT OUT. WE DOUBT THAT THE COLONELS WOULD BE ABLE TO DO MUCH BETTER, ESSENTIALLY BECAUSE WE DO NOT BELIEVE THEY HAVE THE GUTS OR THE SAVVY TO BREAK THE BACK OF THE BUSINESS ELITES. A TAKEOVER BY STATIST COLONELS WOULD LIKELY RESULT IN THE NATIONALIZATION OF TEXACO-GULF AND CREATE PROBLEMS WITH THE US OVER COMPENSATION. ECONOMIC DETERIORATION IN THE SHORT TERM WOULD OCCUR AND DAMAGE WOULD BE DONE TO OUR COMMERCIAL RELATIONS. THIS OUTCOME WOULD BE THE LEAST DESIRABLE IN THE SHORT TERM FOR US INTERESTS, BUT WE DOUBT THAT SUCH A REGIME WOULD LAST.

17. IN THESE CIRCUMSTANCES, AND BARRING THE SCENARIO IN PARAGRAPH 16, THE MAJOR DETERMINANT OF THE COURSE OF

US/ECUADOREAN RELATIONS OVER THE NEXT YEAR OR SO WILL BE THE US. IN A CURIOUS WAY, THE FLUIDITY OF THE PRESENT POLITICAL SITUATION, THE WEAKNESS OF THE SUPREME COUNCIL, AND THE RECRUDESCENCE, AFTER FOUR YEARS OF AN OSTENSIBLY "NATIONALIST," "REVOLUTIONARY" REGIME, OF MORE TYPICAL ECUADOREAN POLITICAL PATTERNS GIVE THE US AN OPPORTUNITY TO EVOKE A CHANGE IN ECUADOREAN POLICY THAT COULD REDOUND  
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TO OUR INTERESTS. THAT THIS GOVERNMENT DOES NOT MAKE A PRETENSE OF BEING IDEOLOGICAL, THAT AT THE TOP IT WOULD LIKE TO RESOLVE OUTSTANDING ISSUES WITH THE US IF IT COULD DO SO WITHOUT DAMAGE TO ITS PRESTIGE, THAT THE ECONOMIC ELITES BASICALLY SEE THEIR INTERESTS AS COTERMINOUS WITH OURS, AND THAT THE LEFT IS RIDICULOUSLY DIVIDED ALL MEAN THAT WITH (SEEMINGLY) LITTLE EFFORT ON OUR PART WE SHOULD BE ABLE TO DRAW THE STINGER FROM THE ECUADOREAN WASP. SHOULD THE UNEXPECTED HAPPEN AND THE GSP EXCLUSION BE LIFTED, FOR EXAMPLE, THIS WOULD GREATLY STRENGTHEN THE SUPREME COUNCIL'S ABILITY TO GIVE SOME CONTENT TO ITS PROFESSED DESIRE TO IMPROVE RELATIONS WITH US. IT COULD ALSO HAVE AN EFFECT ON ECUADOR'S POSITION IN THE NEGOTIATIONS THIS FALL FOR AN EASTERN PACIFIC TUNA AGREEMENT. IN THE ABSENCE OF SUCH MOVES BY THE US, HOWEVER, WE CANNOT BE OPTIMISTIC ABOUT A CHANGES IN THE INHIBITING EFFECTS OF THE GOE'S FEAR OF THE INTERNAL CONSEQUENCES OF COMPROMISE OF OUR BILATERAL DIFFERENCES. WE MUST REMEMBER THAT FOR ECUADOREANS THE ONE CONSTANT IN THE SEEMING CHAOS, THE ONE VIRTUE AMIDST THE EVER-PRESENT VENALITY, AND THE ONE DISTRACTION FROM THE NATIONAL HUMILIATION OF 1941 HAS BEEN ECUADOREAN FOREIGN POLICY VIS A VIS THE US: THE 200-MILE LIMIT AND THE COUNTER-ATTACK IN THE OAS, TLATELOCO, AND ELSEWHERE ON "ECONOMIC

COERCION" (READ PELLY, VAN DERLIN, HICSTOOPER,

GONZALEZ, OPEC-EXCULSION AND OTHER ASSORTED AMENDMENTS  
TO US LAWS). THESE ARE TOTEMS NOT TO BE DEFIED BY ANY  
ECUADOREAN GOVERNMENT.  
BLOOMFIELD

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLITICAL STABILITY, POLITICAL SUMMARIES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** powellba  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976QUITO05089  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760277-1085  
**From:** QUITO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760744/aaaabmqm.tel  
**Line Count:** 499  
**Locator:** TEXT ON-LINE, ON MICROFILM  
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**Original Classification:** SECRET  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 10  
**Previous Channel Indicators:** n/a  
**Previous Classification:** SECRET  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** powellba  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19 JUL 2004 by SmithRJ>; APPROVED <04 NOV 2004 by powellba>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** THE KIND OF POLITICAL SYSTEM WE ARE DEALING WITH IN ECUADOR AND THE MEANING FOR US INTERESTS  
**TAGS:** PINT, PFOR, PGOV, EC  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006